

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHARI R STVIRD Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

September 14, 2009

Mark Dotson Western Utah Copper 1208 South 200 West P.O. Box 492 Milford, Utah 84751

Subject: Denial of Amendment, Western Utah Copper, WUCC Copper Mine, M/001/067, Beaver County,

Utah

Dear Mr. Dotson:

Based on telephone conversations between you, Ron Wunderlich, and Tom Munson, the Division has decided to deny the amendments received from you November 24 and December 10, 2008. The Division understands you are in the process of making additional changes to the mine plan, including a tailings pond and possibly a solution extraction/electrowinning plant, and it would be best to update the entire plan and the reclamation surety at one time.

It is important that you update permit boundaries, bond calculations, and text within the approved LMO to reflect all your changes. The Division's mining engineer, Wayne Western (801-538-5263), will be your point of contact for getting the bond calculations in the proper format and Tom Munson will be your contact on all other items.

The Division currently holds a reclamation surety in the amount of \$1,600,000.00. Based on your existing approved plan, the bond liability is \$1,468,000.00, but the bond calculations will need to be updated with the amendment we anticipate receiving. The bond is scheduled for routine adjustment on May 20, 2012.

Thank you for your cooperation. Please call me at (801) 538-5261 or Tom Munson at (801) 538-5321 with any questions or concerns about this letter.

aul Baker

Minerals Program Manager

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Wayne Western, DOGM

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